

ORDINANCE NO. 2021-08-962

AN ORDINANCE CALLING A SPECIAL ELECTION IN THE CITY OF TONTITOWN, ARKANSAS ON THE QUESTIONS OF ISSUING BONDS UNDER AMENDMENT NO. 62 TO THE CONSTITUTION OF THE STATE OF ARKANSAS FOR THE PURPOSE OF FINANCING AND REFINANCING ALL OR A PORTION OF THE COSTS OF CAPITAL IMPROVEMENTS; AND PRESCRIBING OTHER MATTERS PERTAINING THERETO.

WHEREAS, the City Council of the City of Tontitown, Arkansas (the "City") has determined that it would be in the best interest of the City to refund the City's outstanding Sales and Use Tax Refunding Bonds, Series 2013, which bonds refinanced sewer improvements (the "Refunding"); and

WHEREAS, the City Council has further determined that the City is in need of the following capital improvements:

(a) extensions, betterments and improvements to the City's water system (the "Water Improvements");

(b) extensions, betterments and improvements to the City's sewer system (the "Sewer Improvements"); and

(c) a new fire station and any necessary furnishings and equipment and parking, street, lighting and utility improvements related thereto (the "Fire Improvements"); and

WHEREAS, the City Council proposes to finance all or a portion of the costs of the Refunding, the Water Improvements, the Sewer Improvements and the Fire Improvements by the issuance of capital improvement bonds (the "Bonds") under the authority of Amendment No. 62 to the Constitution of the State of Arkansas ("Amendment 62") and Title 14, Chapter 164, Subchapter 3 of the Arkansas Code of 1987 Annotated (the "Authorizing Legislation") allocated as follows:

(a) \$3,400,000 in maximum aggregate principal amount for the Refunding;

(b) \$4,325,000 in maximum aggregate principal amount for the Water Improvements;

(c) \$4,425,000 in maximum aggregate principal amount for the Sewer Improvements;
and

(d) \$5,300,000 in maximum aggregate principal amount for the Fire Improvements;
and

WHEREAS, the City can pay the principal of and interest on the Bonds from a pledge of the net collections of a 1% sales and use tax levied within the City by Ordinance No. 131, adopted August 24, 1999, as amended from time to time (the "Tax"); and

WHEREAS, the purpose of this Ordinance is to submit to the electors of the City the questions of issuing the Bonds for the Refunding, the Water Improvements, the Sewer Improvements and the Fire Improvements, at a special election to be called for that purpose;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Tontitown, Arkansas:

Section 1. There is hereby called a special election to be held on October 12, 2021 at which election there shall be submitted to the electors of the City the questions of issuing the Bonds under Amendment 62 and the Authorizing Legislation to finance all or a portion of the costs of accomplishing the Refunding, the Water Improvements, the Sewer Improvements and the Fire Improvements, in the maximum aggregate principal amounts described above, to be secured as described above.

Section 2. The questions of issuing the Bonds shall be placed on the ballot for the election in substantially the following form:

REFUNDING BONDS

Bonds of the City of Tontitown in the maximum aggregate principal amount of \$3,400,000 for the purpose of refunding the City's Sales and Use Tax Refunding Bonds, Series 2013 and, in order to pay the bonds, the pledge of the net collections of an existing 1% local sales and use tax levied within the City by Ordinance No. 131, adopted August 24, 1999, as amended from time to time.

FOR..... ☐

AGAINST ☐

WATER IMPROVEMENT BONDS

Bonds of the City of Tontitown in the maximum aggregate principal amount of \$4,325,000 for the purpose of financing all or a portion of the costs of extensions, betterments and improvements to the City's water system and, in order to pay the bonds, the pledge of the net collections of an existing 1% local sales and use tax levied within the City by Ordinance No. 131, adopted August 24, 1999, as amended from time to time.

FOR..... ☐

AGAINST ☐

SEWER IMPROVEMENT BONDS

Bonds of the City of Tontitown in the maximum aggregate principal amount of \$4,425,000 for the purpose of financing all or a portion of the costs of extensions, betterments and improvements to the City's sewer system and, in order to pay the bonds, the pledge of the net collections of an existing 1% local sales and use tax levied within the City by Ordinance No. 131, adopted August 24, 1999, as amended from time to time.

FOR..... ☐

AGAINST ☐

FIRE IMPROVEMENT BONDS

Bonds of the City of Tontitown in the maximum aggregate principal amount of \$5,300,000 for the purpose of financing all or a portion of the costs of a new fire station and any necessary furnishings and equipment and parking, street, lighting and utility improvements related thereto and, in order to pay the bonds, the pledge of the net collections of an existing 1% local sales and use tax levied within the City by Ordinance No. 131, adopted August 24, 1999, as amended from time to time.

FOR..... ☐

AGAINST ☐

Section 3. The election shall be held and conducted and the vote canvassed and the results declared under the law and in the manner now provided for municipal elections unless otherwise provided in the Authorizing Legislation and only qualified voters of the City shall have the right to vote at the election.

Section 4. The results of the election shall be proclaimed by the Mayor, and the Proclamation shall be published one time in a newspaper having a general circulation in the City, which Proclamation shall advise that the results as proclaimed shall be conclusive unless attacked in the courts within thirty days after the date of publication.

Section 5. A copy of this Ordinance shall be (a) filed with the Washington County Clerk at least 60 days prior to the election date and (b) given to the Washington County Board of Election Commissioners so that the necessary election officials and supplies may be provided.

Section 6. The Mayor and City Clerk-Treasurer, for and on behalf of the City, are hereby authorized and directed to do any and all things necessary to call and hold the special election as herein provided and to perform all acts of whatever nature necessary to carry out the authority conferred by this Ordinance.

Section 7. If any Bonds are approved and issued, the City intends to negotiate with Stephens Inc., which has assisted the City in preparation of the Bond size and repayment structure, for the sale of the Bonds.

Section 8. All ordinances and parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

PASSED: August 2, 2021

ATTEST:

APPROVED:

Rhonda Ardemagni, City Clerk-Treasurer

Paul Colvin, Jr., Mayor

(SEAL)

CERTIFICATE

The undersigned, City Clerk-Treasurer of Tontitown, Arkansas, hereby certifies that the foregoing pages are a true and perfect copy of Ordinance No. 2021-08-962, passed at a regular session of the City Council of Tontitown, Arkansas, held at the regular meeting place of the City Council at 6:00 o'clock p.m., on the 2nd day of August, 2021, and that the Ordinance is of record in Ordinance Record Book No. _____, Page _____, now in my possession.

GIVEN under my hand and seal this 2nd day of August, 2021.

Rhonda Ardemagni, City Clerk-Treasurer

(SEAL)